

**UNIFIED SCHOOL DISTRICT NO. 396
DOUGLASS, KANSAS**

**FINANCIAL STATEMENT
JUNE 30, 2018**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

UNIFIED SCHOOL DISTRICT NO. 396
TABLE OF CONTENTS
JUNE 30, 2018

	<u>Page</u>
Independent Auditors' Report	1 – 3
Financial Statement	
Summary of Cash Receipts, Expenditures, and Unencumbered Cash	4
Notes to Financial Statement	5 – 11
Regulatory Required Supplementary Information	
Summary of Expenditures - Actual and Budget	12
Schedule of Cash Receipts and Expenditures - Actual and Budget	
General Fund	13
Supplemental General Fund	14
Adult Education Fund	15
At Risk (4-Year-Old) Fund	16
At Risk (K-12) Fund	17
Bilingual Education Fund	18
Virtual Education Fund	19
Capital Outlay Fund	20
Driver Training Fund	21
Food Service Fund	22
Professional Development Fund	23
Special Education Fund	24
Career and Postsecondary Education Fund	25
KPERs Contribution Fund	26
Recreation Commission Fund	27
Bond and Interest Fund	28
Schedule of Cash Receipts and Expenditures - Actual	
Federal Funds	29
Gifts and Grants Fund	30
Contingency Reserve Fund	31
Textbook Rental Fund	32
Schedule of Cash Receipts and Expenditures - Capital Projects	33
Schedule of Cash Receipts and Cash Disbursements	
Agency Funds	34
Statement of Cash Receipts, Expenditures, and Unencumbered Cash	
District Activity Funds	35
Federal Award Information	
Schedule of Expenditures of Federal Awards	36



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Education
Unified School District No. 396
Douglass, Kansas**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of **Unified School District No. 396, Douglass, Kansas**, as of and for the year ended **June 30, 2018**, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Board of Education
Unified School District No. 396**

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 of the financial statement, the financial statement is prepared by **Unified School District No. 396, Douglass, Kansas**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Unified School District No. 396, Douglass, Kansas**, as of **June 30, 2018**, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Unified School District No. 396, Douglass, Kansas**, as of **June 30, 2018**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of regulatory basis cash receipts and expenditures-capital projects, agency funds schedules of regulatory basis cash receipts and disbursements and district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) and schedule of expenditures of federal awards (Federal Award Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

**Board of Education
Unified School District No. 396**

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

The 2017 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2017 basic financial statement upon which we rendered an unmodified opinion dated October 2, 2017. The 2017 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
August 30, 2018

UNIFIED SCHOOL DISTRICT NO. 396
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 0	\$ 0	\$ 5,057,692	\$ 5,057,692	\$ 0	\$ 19,433	\$ 19,433
Special Purpose Funds							
Supplemental General	13,068	0	1,890,752	1,856,952	46,868	623	47,491
Adult Education	143	0	0	143	0	0	0
At Risk (4 Year Old)	0	0	29,276	29,276	0	0	0
At Risk (K-12)	0	0	910,824	910,824	0	0	0
Bilingual Education	0	0	9,842	9,842	0	0	0
Virtual Education	31,967	0	21,625	17,827	35,765	0	35,765
Capital Outlay	521,031	0	476,183	648,120	349,094	106,051	455,145
Driver Training	8,853	0	11,524	5,980	14,397	0	14,397
Food Service	50,000	0	370,575	370,298	50,277	0	50,277
Professional Development	0	0	37,620	34,906	2,714	499	3,213
Special Education	90,497	0	937,328	937,635	90,190	0	90,190
Career and Postsecondary Education	0	0	223,646	223,646	0	157	157
KPERS Contribution	0	0	512,849	512,849	0	0	0
Recreation Commission	537	0	33,182	32,712	1,007	0	1,007
Federal Funds	0	0	99,636	99,636	0	0	0
Gifts and Grants	11,053	0	23,165	21,576	12,642	0	12,642
Contingency Reserve	439,619	0	0	0	439,619	0	439,619
Textbook Rental	80,067	0	29,726	78,831	30,962	55,939	86,901
District Activity Funds	13,379	0	82,951	85,602	10,728	0	10,728
Debt Service							
Bond and Interest	1,219,220	0	983,685	934,487	1,268,418	0	1,268,418
Capital Projects	257,516	0	12,409	269,925	0	0	0
	<u>\$ 2,736,950</u>	<u>\$ 0</u>	<u>\$ 11,754,490</u>	<u>\$ 12,138,759</u>	<u>\$ 2,352,681</u>	<u>\$ 182,702</u>	<u>\$ 2,535,383</u>

Composition of Cash:

Checking Accounts
Agency Funds

2,573,336
(37,953)
\$ 2,535,383

The notes to the financial statement are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 396
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2018

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Unified School District No. 396 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Douglass, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

General Fund-The primary operating fund. Used to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds-To account for the proceeds of specific receipts (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Capital Projects Fund-To account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

Debt Service Fund-To account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Agency Funds-To account for resources held in a trustee or agency capacity for others which therefore cannot be used to support the government's own programs.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

UNIFIED SCHOOL DISTRICT NO. 396
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2018

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There was one amendment for the year ended June 30, 2018.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Federal Funds
Contingency Reserve Fund
District Activity Funds

Gifts and Grants Fund
Textbook Rental Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Note 2 - In Substance Receipt in Transit:

The District received \$301,454 subsequent to June 30, 2018, and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

UNIFIED SCHOOL DISTRICT NO. 396
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2018

Note 3 - Defined Benefit Pension Plan:

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$512,849 for the year ended June 30, 2018.

**UNIFIED SCHOOL DISTRICT NO. 396
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2018**

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$6,480,781. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

Note 4 - Compensated Absences:

Vacation

Full time twelve-month employees earn vacation time at the rate of ten days per year. Employees with ten years of service will receive 15 days of vacation. Employees working less than full time and twelve months are not eligible for vacation pay. Requests to use vacation must be made at least two weeks in advance and must be approved by the employee's director and the Superintendent. The maximum vacation carry-over will be limited to 5 days. Upon leaving the District the employee shall be paid for accumulated vacation time at the employee's regular rate of pay.

Sick Leave

Full-time employees will be credited with ten days of sick leave on the first day of employment; thereafter employees will receive ten additional days at the beginning of each fiscal year. Twelve-month employees will be credited with twelve days of paid leave on the first day of employment; thereafter employees will receive twelve days for each fiscal year. Part-time employees will be credited with a proration of ten days on the first day of employment; thereafter employees will receive a proration of ten additional days. Unused sick leave will be allowed to accumulate to 80 days.

Upon retirement (at minimum age of 55) the employee shall receive termination pay at the rate of sixty dollars per day for all accumulated sick leave up to a maximum of forty days.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid, since the likelihood of ever having to pay these maximum amounts is not anticipated or a probable event.

Note 5 - Capital Projects:

At year-end, capital project authorization compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
New Elementary and Middle School Buildings and Other Improvements	<u>\$9,239,259</u>	<u>\$9,239,259</u>

Note 6 - Subsequent Events:

The District has evaluated subsequent events through August 30, 2018, the date which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NO. 396
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2018

Note 7 - Postemployment Benefits:

The District sponsors an IRC 403(b) defined contribution retirement plan. The plan covers each administrator, teacher and classified employee. Participants are vested based on years of service and a vested percentage ranging from 0% for 1-5 years of service to 100% after 15 years of service with percentage increase by 10% for each year of service starting with the 6th year of service. The District's contribution is \$500 per contract year for each classified employee working a minimum of 3 base hours per day, \$1,000 per contract year for those employees with a bachelor's degree in the area in which they are employed, a district director, teacher or administrator. Contributions will be prorated for employees who work less than full-time or less than a full contract year. Eligible employees may voluntarily contribute from their salary an amount of their choosing to their employee paid account. Voluntary contributions may not exceed the amount allowed by Federal and State laws.

The District allows employees to take early retirement and collect annual payments subject to certain eligibility requirements. Eligible employees can retire anytime up to age 65 and collect early retirement benefits. Employees must choose between the Defined Contribution 403(b) Retirement and the Early Retirement plans. The employee must apply for the early phase out option by April 1, 2021.

It is the policy of the District to record retirement benefits as expenditures when paid. During the year the District paid \$57,438 for postemployment benefits for nine former employees under the early retirement plan and \$74,450 for current employees under the Defined Benefit Retirement Plan.

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

Note 8 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

Transfer from:	At Risk (4 Year Old)	At Risk (K-12)	Bilingual Education	Virtual Education	Food Service	Professional Development	Special Education	Career and Postsecondary Education	Total
General Fund	\$ 29,276	\$ 910,824	\$ 9,842	\$ 18,826	\$ 0	\$ 0	\$ 704,483	\$ 133,864	\$ 1,807,115
Supplemental General Fund	0	0	0	0	54,792	32,016	216,867	86,766	390,441
	<u>\$ 29,276</u>	<u>\$ 910,824</u>	<u>\$ 9,842</u>	<u>\$ 18,826</u>	<u>\$ 54,792</u>	<u>\$ 32,016</u>	<u>\$ 921,350</u>	<u>\$ 220,630</u>	<u>\$ 2,197,556</u>

UNIFIED SCHOOL DISTRICT NO. 396
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2018

Note 9 - Deposits:

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices. The rating of the District's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$2,573,336 and the bank balance was \$2,678,647. The bank balance is held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,268 and the remaining \$2,428,379 was collateralized with securities held by the pledging financial institution's agents in the District's name.

Note 10 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

UNIFIED SCHOOL DISTRICT NO. 396
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2018

Note 11 - Reimbursed Expenses:

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

Note 12 - Long-Term Debt:

Principal payments are due annually for general obligation bonds on September 1. Interest payments are due semi-annually on September 1 and March 1.

Terms for long-term liabilities for the District for the year ended June 30, 2018, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2015 Series	2.00	6/1/15	\$ 3,415,000	9/1/20
2016 Series	2.25 - 3.00	6/1/16	\$ 8,990,000	9/1/34

Changes in long-term liabilities for the District for the year ended June 30, 2018, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2015 Series	\$ 2,770,000	\$ 0	\$ 640,000	\$ 2,130,000	\$ 49,000
2016 Series	8,990,000	0	0	8,990,000	245,487
	<u>\$11,760,000</u>	<u>\$ 0</u>	<u>\$ 640,000</u>	<u>\$11,120,000</u>	<u>\$ 294,487</u>

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	Principal	Interest	Total Principal and Interest
2019	\$ 675,000	\$ 281,338	\$ 956,338
2020	710,000	267,487	977,487
2021	745,000	252,938	997,938
2022	535,000	237,462	772,462
2023	550,000	221,187	771,187
2024 - 2028	2,980,000	857,500	3,837,500
2029 - 2033	3,425,000	465,119	3,890,119
2034 - 2035	1,500,000	45,300	1,545,300
	<u>\$ 11,120,000</u>	<u>\$ 2,628,331</u>	<u>\$ 13,748,331</u>

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 396
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018

	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	\$ 5,340,073	\$ (291,714)	\$ 9,333	\$ 5,057,692	\$ 5,057,692	\$ 0
Special Purpose Funds						
Supplemental General	1,866,089	(9,137)	0	1,856,952	1,856,952	0
Adult Education	143	0	0	143	143	0
At Risk (4 Year Old)	32,430	0	0	32,430	29,276	(3,154)
At Risk (K-12)	920,000	0	0	920,000	910,824	(9,176)
Bilingual Education	12,825	0	0	12,825	9,842	(2,983)
Virtual Education	213,995	0	0	213,995	17,827	(196,168)
Capital Outlay	1,011,970	0	0	1,011,970	648,120	(363,850)
Driver Training	16,490	0	0	16,490	5,980	(10,510)
Food Service	431,245	0	0	431,245	370,298	(60,947)
Professional Development	48,315	0	0	48,315	34,906	(13,409)
Special Education	1,015,954	0	0	1,015,954	937,635	(78,319)
Career and Postsecondary Education	235,000	0	0	235,000	223,646	(11,354)
KPERS Contribution	544,499	0	0	544,499	512,849	(31,650)
Recreation Commission	32,712	0	0	32,712	32,712	0
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	99,636	XXXXXXXXXX
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	21,576	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Textbook Rental	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	78,831	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	85,602	XXXXXXXXXX
Debt Service						
Bond and Interest	934,688	0	0	934,688	934,487	(201)
Capital Projects	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	269,925	XXXXXXXXXX
	<u>\$ 12,656,428</u>	<u>\$ (300,851)</u>	<u>\$ 9,333</u>	<u>\$ 12,364,910</u>	<u>\$ 12,138,759</u>	<u>\$ (781,721)</u>

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 17,764	\$ 12,132	\$ 0	\$ 12,132
State Sources	5,242,813	5,045,560	5,340,073	(294,513)
Transfers	15,000	0	0	0
	<u>5,275,577</u>	<u>5,057,692</u>	<u>\$ 5,340,073</u>	<u>\$ (282,381)</u>
Expenditures				
Instruction	1,766,450	1,270,901	\$ 1,095,134	\$ 175,767
Student Support Services	200,868	223,919	229,505	(5,586)
Instructional Support Staff	152,312	157,051	164,335	(7,284)
General Administration	171,333	179,412	199,425	(20,013)
School Administration	412,880	385,489	435,365	(49,876)
Central Services	111,940	117,473	119,695	(2,222)
Operations & Maintenance	553,013	685,038	718,885	(33,847)
Student Transportation Services	205,188	219,270	243,585	(24,315)
Other Support Services	9,408	9,984	10,730	(746)
Community Services Operations	1,545	2,040	6,010	(3,970)
Transfers	1,690,835	1,807,115	2,117,404	(310,289)
Adjustment to Comply with Legal Max	0	0	(291,714)	291,714
Adjustment for Qualifying Budget Credits	0	0	9,333	(9,333)
	<u>5,275,772</u>	<u>5,057,692</u>	<u>\$ 5,057,692</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(195)	0		
Unencumbered Cash, Beginning	195	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Supplemental General Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 508,180	\$ 591,586	\$ 559,414	\$ 32,172
County Sources	63,715	89,468	86,468	3,000
State Sources	1,215,181	1,209,698	1,207,139	2,559
	<u>1,787,076</u>	<u>1,890,752</u>	<u>\$ 1,853,021</u>	<u>\$ 37,731</u>
Expenditures				
Instruction	1,103,361	1,137,074	\$ 1,199,110	\$ (62,036)
Student Support Services	19,013	19,194	19,450	(256)
Instructional Support Staff	67,459	75,475	77,175	(1,700)
General Administration	7,283	7,594	7,600	(6)
School Administration	29,506	28,498	31,400	(2,902)
Central Services	78,815	84,347	84,550	(203)
Operations & Maintenance	93,930	108,935	101,155	7,780
Student Transportation Services	5,183	5,394	5,400	(6)
Transfers	423,064	390,441	340,249	50,192
Adjustment to Comply with Legal Max	0	0	(9,137)	9,137
	<u>1,827,614</u>	<u>1,856,952</u>	<u>\$ 1,856,952</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(40,538)	33,800		
Unencumbered Cash, Beginning	53,606	13,068		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 13,068</u>	<u>\$ 46,868</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Adult Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	0	\$ 0	\$ 0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Expenditures				
Instruction	0	143	\$ 143	\$ 0
	<u>0</u>	<u>143</u>	<u>\$ 143</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0	(143)		
Unencumbered Cash, Beginning	143	143		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 143</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>At Risk (4 Year Old) Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Transfers	\$ 27,450	\$ 29,276	\$ 32,430	\$ (3,154)
	<u>27,450</u>	<u>29,276</u>	<u>\$ 32,430</u>	<u>\$ (3,154)</u>
Expenditures				
Instruction	27,450	29,276	\$ 32,430	\$ (3,154)
	<u>27,450</u>	<u>29,276</u>	<u>\$ 32,430</u>	<u>\$ (3,154)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>At Risk (K-12) Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Transfers	<u>400,949</u>	<u>910,824</u>	<u>\$ 920,000</u>	<u>\$ (9,176)</u>
	<u>400,949</u>	<u>910,824</u>	<u>\$ 920,000</u>	<u>\$ (9,176)</u>
Expenditures				
Instruction	385,318	910,824	\$ 920,000	\$ (9,176)
Instructional Support Staff	<u>15,631</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>400,949</u>	<u>910,824</u>	<u>\$ 920,000</u>	<u>\$ (9,176)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Bilingual Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 880	\$ 0	\$ 2,000	\$ (2,000)
Transfers	8,918	9,842	10,825	(983)
	<u>9,798</u>	<u>9,842</u>	<u>\$ 12,825</u>	<u>\$ (2,983)</u>
Expenditures				
Instruction	9,798	9,842	\$ 12,325	\$ (2,483)
Instructional Support Staff	0	0	500	(500)
	<u>9,798</u>	<u>9,842</u>	<u>\$ 12,825</u>	<u>\$ (2,983)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Virtual Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 0	\$ 2,799	\$ 0	\$ 2,799
Transfers	<u>147,452</u>	<u>18,826</u>	<u>213,995</u>	<u>(195,169)</u>
	<u>147,452</u>	<u>21,625</u>	<u>\$ 213,995</u>	<u>\$ (192,370)</u>
Expenditures				
Instruction	<u>115,485</u>	<u>17,827</u>	<u>\$ 213,995</u>	<u>\$ (196,168)</u>
	<u>115,485</u>	<u>17,827</u>	<u>\$ 213,995</u>	<u>\$ (196,168)</u>
Receipts Over (Under) Expenditures	31,967	3,798		
Unencumbered Cash, Beginning	0	31,967		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 31,967</u>	<u>\$ 35,765</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Capital Outlay Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 255,039	\$ 301,566	\$ 347,035	\$ (45,469)
County Sources	30,327	31,259	30,332	927
State Sources	129,144	143,358	142,386	972
	<u>414,510</u>	<u>476,183</u>	<u>\$ 519,753</u>	<u>\$ (43,570)</u>
Expenditures				
Instruction	0	117,699	\$ 250,000	\$ (132,301)
Operations & Maintenance	298,851	388,785	431,970	(43,185)
Transportation	142,647	0	140,000	(140,000)
Facility Acquisition & Construction Services	15,602	141,636	190,000	(48,364)
	<u>457,100</u>	<u>648,120</u>	<u>\$ 1,011,970</u>	<u>\$ (363,850)</u>
Receipts Over (Under) Expenditures	(42,590)	(171,937)		
Unencumbered Cash, Beginning	563,621	521,031		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 521,031</u>	<u>\$ 349,094</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Driver Training Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 7,400	\$ 7,300	\$ 9,000	\$ (1,700)
State Sources	4,992	4,224	6,300	(2,076)
	<u>12,392</u>	<u>11,524</u>	<u>\$ 15,300</u>	<u>\$ (3,776)</u>
Expenditures				
Instruction	5,178	5,501	\$ 14,990	\$ (9,489)
Vehicle Operations, Maintenance				
Services	284	479	1,500	(1,021)
Transfers	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>20,462</u>	<u>5,980</u>	<u>\$ 16,490</u>	<u>\$ (10,510)</u>
Receipts Over (Under) Expenditures	(8,070)	5,544		
Unencumbered Cash, Beginning	16,923	8,853		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 8,853</u>	<u>\$ 14,397</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Food Service Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 132,248	\$ 137,004	\$ 154,840	\$ (17,836)
State Sources	3,453	3,345	3,316	29
Federal Sources	186,328	175,434	213,739	(38,305)
Transfers	57,276	54,792	59,345	(4,553)
	<u>379,305</u>	<u>370,575</u>	<u>\$ 431,240</u>	<u>\$ (60,665)</u>
Expenditures				
Food Service Operation	<u>379,305</u>	<u>370,298</u>	<u>\$ 431,245</u>	<u>\$ (60,947)</u>
	<u>379,305</u>	<u>370,298</u>	<u>\$ 431,245</u>	<u>\$ (60,947)</u>
Receipts Over (Under) Expenditures	0	277		
Unencumbered Cash, Beginning	50,000	50,000		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 50,000</u>	<u>\$ 50,277</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Professional Development Fund</u>	Prior Year	Current Year		Variance -
	Actual	Actual	Budget	Over (Under)
Cash Receipts				
State Sources	\$ 0	\$ 5,604	\$ 4,831	\$ 773
Transfers	26,867	32,016	43,484	(11,468)
	<u>26,867</u>	<u>37,620</u>	<u>\$ 48,315</u>	<u>\$ (10,695)</u>
Expenditures				
Instructional Support Staff	26,867	34,906	\$ 48,315	\$ (13,409)
	<u>26,867</u>	<u>34,906</u>	<u>\$ 48,315</u>	<u>\$ (13,409)</u>
Receipts Over (Under) Expenditures	0	2,714		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 2,714</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Special Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 12,732	\$ 11,603	\$ 20,143	\$ (8,540)
Federal Sources	0	4,375	0	4,375
Transfers	911,749	921,350	995,000	(73,650)
	<u>924,481</u>	<u>937,328</u>	<u>\$ 1,015,143</u>	<u>\$ (77,815)</u>
Expenditures				
Instruction	865,739	899,961	\$ 945,289	\$ (45,328)
Student Transportation Services	58,145	37,674	70,665	(32,991)
	<u>923,884</u>	<u>937,635</u>	<u>\$ 1,015,954</u>	<u>\$ (78,319)</u>
Receipts Over (Under) Expenditures	597	(307)		
Unencumbered Cash, Beginning	89,900	90,497		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 90,497</u>	<u>\$ 90,190</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Career and Secondary Education</u> <u>Fund</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
State Sources	\$ 2,341	\$ 0	\$ 3,006	\$ (3,006)
Federal Sources	4,641	3,016	10,000	(6,984)
Transfers	193,986	220,630	221,994	(1,364)
	<u>200,968</u>	<u>223,646</u>	<u>\$ 235,000</u>	<u>\$ (11,354)</u>
Expenditures				
Instruction	194,888	222,228	\$ 223,445	\$ (1,217)
Instructional Support Staff	415	1,198	4,050	(2,852)
Student Transportation Services	5,665	220	7,505	(7,285)
	<u>200,968</u>	<u>223,646</u>	<u>\$ 235,000</u>	<u>\$ (11,354)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>KPERS Contribution Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
State Sources	\$ 0	\$ 512,849	\$ 544,499	\$ (31,650)
Transfers	339,252	0	0	0
	<u>339,252</u>	<u>512,849</u>	<u>\$ 544,499</u>	<u>\$ (31,650)</u>
Expenditures				
Instruction	203,551	307,709	\$ 326,700	\$ (18,991)
Student Support Services	16,963	25,643	27,225	(1,582)
Instructional Support Staff	16,963	25,643	27,225	(1,582)
General Administration	10,177	15,386	16,335	(949)
School Administration	30,533	46,156	49,005	(2,849)
Central Services	13,570	20,514	21,780	(1,266)
Operations & Maintenance	27,140	46,156	49,005	(2,849)
Student Transportation Services	13,570	20,514	21,780	(1,266)
Food Service Operation	6,785	5,128	5,444	(316)
	<u>339,252</u>	<u>512,849</u>	<u>\$ 544,499</u>	<u>\$ (31,650)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Recreation Commission Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 27,623	\$ 29,276	\$ 28,373	\$ 903
County Sources	3,795	3,906	3,802	104
	<u>31,418</u>	<u>33,182</u>	<u>\$ 32,175</u>	<u>\$ 1,007</u>
Expenditures				
Community Services Operations	<u>32,026</u>	<u>32,712</u>	<u>\$ 32,712</u>	<u>\$ 0</u>
	<u>32,026</u>	<u>32,712</u>	<u>\$ 32,712</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(608)	470		
Unencumbered Cash, Beginning	1,145	537		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 537</u>	<u>\$ 1,007</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Bond and Interest Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Local Sources	\$ 452,515	\$ 423,522	\$ 412,602	\$ 10,920
County Sources	67,564	51,497	50,471	1,026
State Sources	442,774	508,666	501,776	6,890
	<u>962,853</u>	<u>983,685</u>	<u>\$ 964,849</u>	<u>\$ 18,836</u>
Expenditures				
Debt Service	<u>845,516</u>	<u>934,487</u>	<u>\$ 934,688</u>	<u>\$ (201)</u>
	<u>845,516</u>	<u>934,487</u>	<u>\$ 934,688</u>	<u>\$ (201)</u>
Receipts Over (Under) Expenditures	117,337	49,198		
Unencumbered Cash, Beginning	1,101,883	1,219,220		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,219,220</u>	<u>\$ 1,268,418</u>		

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

<u>Federal Funds</u>	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	\$ 113,688	\$ 99,636
	<u>113,688</u>	<u>99,636</u>
Expenditures		
Instruction	113,688	99,636
	<u>113,688</u>	<u>99,636</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 18,709	\$ 23,165
	<u>18,709</u>	<u>23,165</u>
Expenditures		
Instruction	29,335	21,576
	<u>29,335</u>	<u>21,576</u>
Receipts Over (Under) Expenditures	(10,626)	1,589
Unencumbered Cash, Beginning	21,679	11,053
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 11,053</u>	<u>\$ 12,642</u>

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

Contingency Reserve Fund

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures		
Transfers	0	0
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	439,619	439,619
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 439,619</u>	<u>\$ 439,619</u>

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

Textbook Rental Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 33,200	\$ 29,726
	<u>33,200</u>	<u>29,726</u>
Expenditures		
Instruction	20,689	77,831
Instructional Support Staff	437	1,000
	<u>21,126</u>	<u>78,831</u>
Receipts Over (Under) Expenditures	12,074	(49,105)
Unencumbered Cash, Beginning	67,993	80,067
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 80,067</u>	<u>\$ 30,962</u>

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Bond Proceeds	\$ 45,568	\$ 12,409
	<u>45,568</u>	<u>12,409</u>
Expenditures		
New Building Acquisition and Construction	8,968,224	269,925
	<u>8,968,224</u>	<u>269,925</u>
Receipts Over (Under) Expenditures	(8,922,656)	(257,516)
Unencumbered Cash, Beginning	9,180,172	257,516
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 257,516</u>	<u>\$ 0</u>

UNIFIED SCHOOL DISTRICT NO. 396
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Douglass Schools				
Band	\$ 1,289	\$ 523	\$ 1,278	\$ 534
Weightlifting	1,041	2,085	1,740	1,386
Yearbook Fundraising	0	203	203	0
Boys Basketball	1,064	844	324	1,584
Cheerleaders-Football	1,099	1,281	591	1,789
Cheer-Basketball	541	0	0	541
Softball Fundraising	0	888	686	202
HS Cheerleading	699	2,723	2,164	1,258
Football Fundraising	630	4,975	5,182	423
Chorus	2	1,093	451	644
Musical	1,176	6,607	6,099	1,684
Madrigals	985	2,463	2,857	591
Spirit Club	473	324	0	797
Art Club	0	215	49	166
Forensics Fundraising	594	120	137	577
Entrepreneur Class	158	0	0	158
Baseball Fundraising	271	142	184	229
BASS Club	20	602	529	93
FCCLA	363	950	899	414
Students For The Cure	0	4,374	4,374	0
SADD	2,790	1,255	1,949	2,096
Tennis Fundraising	479	67	67	479
CC/Track Fundraising	933	366	426	873
Class of 2021	0	701	0	701
Class of 2019	3,684	3,547	4,219	3,012
Class of 2020	887	2,532	1,365	2,054
Class of 2018	2,670	5,415	7,627	458
Class of 2017	1,109	298	0	1,407
Honor Society	674	125	195	604
FBLA	484	288	209	563
Gifted Classes	180	0	0	180
Scholars Bowl Fund	100	861	864	97
Kay	566	934	1,269	231
Student Council	43	2,402	2,337	108
Student Lounge	620	3,789	3,981	428
Student Activity	714	2,839	3,351	202
Creative Writing	49	0	0	49
Wrestling Fundraising	202	749	745	206
Volleyball Fundraising	3,461	6,226	3,277	6,410
Girls Basketball	623	329	384	568
MS Honor Society	2,961	1,959	2,342	2,578
MS Girls Basketball	48	765	544	269
MS Cheerleaders	277	3,782	3,014	1,045
	<u>33,959</u>	<u>69,641</u>	<u>65,912</u>	<u>37,688</u>
District Memorial	<u>615</u>	<u>1,500</u>	<u>1,850</u>	<u>265</u>
Total Agency Funds	<u>\$ 34,574</u>	<u>\$ 71,141</u>	<u>\$ 67,762</u>	<u>\$ 37,953</u>

UNIFIED SCHOOL DISTRICT NO. 396
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2018

Fund	Beginning	Prior Year	Cash Receipts	Expenditures	Ending	Add	Ending Cash
	Unencumbered	Canceled			Unencumbered	Encumbrances	
	Cash Balance	Encumbrances			Cash Balance	and Accounts Payable	Balance
HS Petty Cash	\$ 0	\$ 0	\$ 3,232	\$ 3,232	\$ 0	\$ 0	\$ 0
General Athletic	0	0	632	632	0	0	0
HS Athletics	0	0	28,732	28,732	0	0	0
HS Athletic Fundraising	5,059	0	5,311	7,680	2,690	0	2,690
Concessions	696	0	19,035	18,930	801	0	801
Elem Activity	1,031	0	74	0	1,105	0	1,105
Elem Courtesy Fund	1,124	0	1,292	1,986	430	0	430
Elem Staff Pop Fund	0	0	271	260	11	0	11
Elem Library	1,851	0	2,986	2,325	2,512	0	2,512
MS Activity	256	0	18	0	274	0	274
HS Coffee Sales	9	0	247	207	49	0	49
MS Courtesy	678	0	190	209	659	0	659
MS Athletics	0	0	6,150	6,150	0	0	0
MS Library	3	0	0	0	3	0	3
Vending	830	0	428	326	932	0	932
Interest	131	0	62	0	193	0	193
Staff Courtesy Fund	253	0	1,060	1,064	249	0	249
Student Courtesy Fund	1,019	0	0	199	820	0	820
CPL/HOA Basketball	439	0	6,350	6,789	0	0	0
Sales Tax	0	0	6,881	6,881	0	0	0
Total District Activity Funds	<u>\$ 13,379</u>	<u>\$ 0</u>	<u>\$ 82,951</u>	<u>\$ 85,602</u>	<u>\$ 10,728</u>	<u>\$ 0</u>	<u>\$ 10,728</u>

FEDERAL AWARD INFORMATION

UNIFIED SCHOOL DISTRICT NO. 396
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

Grant Title	Federal CFDA No.	Program Amount	Unencumbered Cash 7-1-17	Receipts	Expenditures	Unencumbered Cash 6-30-18
<u>(Passes Through Kansas Department of Education)</u>						
Department of Agriculture						
School Breakfast Program	10.553	\$ 36,451				
National School Lunch Program	10.555	138,687				
Special Milk Program for Children	10.556	296				
		<u>175,434</u>	<u>\$ 0</u>	<u>\$ 175,434</u>	<u>\$ 175,434</u>	<u>\$ 0</u>
Department of Education						
Title I Grants to Local Educational Agencies	84.010	82,143	0	82,143	82,143	0
Special Education Grants to States	84.027	4,375	0	4,375	4,375	0
Career and Technical Education-Basic Grants to States	84.048	400	0	400	400	0
Improving Teacher Quality State Grants	84.367	15,055	0	15,055	15,055	
Student Support and Academic Enrichment Program	84.424	2,438	0	2,438	2,438	0
		<u>104,411</u>	<u>0</u>	<u>104,411</u>	<u>104,411</u>	<u>0</u>
<u>(Passes Through South Central Kansas Education Service Center)</u>						
Department of Education						
Career and Technical Education-Basic Grants to States	84.048	2,616	0	2,616	2,616	0
Total Federal Awards		<u>\$ 282,461</u>	<u>\$ 0</u>	<u>\$ 282,461</u>	<u>\$ 282,461</u>	<u>\$ 0</u>